

BOB HOLDEN GOVERNOR

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#### Bingo Bulletin

To:

Bingo Licensees

From:

Missouri Gaming Commission, Bingo Division

Date:

October 17, 2002

This bulletin contains new inserts for your bingo statute and regulation booklet.

 There have been no changes to the Bingo Statutes but the format has changed; therefore, please remove all pages of the Bingo Tax Statutes (pages 2 - 15) and replace it with the enclosed page numbers 2 - 24.

 The format has also changed for the regulations; therefore, please remove all pages from the regulation section (pages 16 - 33) and replace it with the enclosed pages 5 - 20.

 Please replace Policy number 7 with the enclosed revision. Also, Policy number 13 has been rescinded. Please remove it from your booklet.

Changes to the regulations include:

11 CSR 45-30.025 Bingo Promotions – This is a new regulation; therefore, we have enclosed a Q&A page of regularly asked questions pertaining to the new promotion regulation and the applicable answer. If you have any questions concerning promotions, please contact our office for clarification at 573-526-5370.

11 CSR 45-30.190 Rules of Play – This rule was amended to allow bingo organizations to sell bingo paper prior to 10:00 am. if you are playing a morning game.

11 CSR 45-30.355 Sale of Pull-Tab Cards by Bingo Licensees – Amended to clarify that pull-tabs may not be sold prior to 10:00 am. (This revision is not included in the attached regulations, it will be updated and forwarded at a later date.)

11 CSR 45-30.395 Manufacturer Record Keeping – Amended to include shipping destination on manufacturer invoices and to require that shipping information be maintained with the invoice.

11 CSR 45-30.525 Supplier Record Keeping – Amended to allow the sale of bingo paper to entities not licensed by the Commission, if certain guidelines are followed.

The bingo statutes and regulations are available on our WEB page at <a href="www.mgc.state.mo.us">www.mgc.state.mo.us</a>. The new format coincides with the WEB page format.

Stolen Pull Tabs - Numerous pull-tab deals were stolen in the Springfield area. Please ensure that your bingo workers are verifying the serial number of winning pull-tabs to protect the organization from paying out fraudulent pull-tab prizes. If someone tries to claim a prize on a fraudulent pull-tab, obtain as much information about the person and the pull-tab as possible and notify our office immediately.

Criminal Activities - The Gaming Commission will take immediate action to revoke the bingo license of any organization found to be involved in any form of criminal activity. While illegal gambling may be the most common type of criminal activity found to date, we will not permit bingo and criminal conduct to coexist.

If you have any questions or concerns, please feel free to contact our office at the Missouri Gaming Commission, Bingo Division, PO Box 1847, Jefferson City, MO 65102, or telephone 573-526-5370.

Enclosures

### **Q&A Bingo Promotions**

## THIS DOCUMENT HAS BEEN REVISED! If you called our office prior to September 30, 2002 the answer you received may not be correct.

### Q: Why can't we use bingo funds to buy prizes for bingo promotions?

A: Section 313.040 does not authorize the use of bingo funds for promotional purposes.
The statute is very specific in listing the purposes for which bingo funds may be used, and its restrictive

The statute is very specific in listing the purposes for which bingo funds may be used, and its restrictive language made absolutely no provisions for promotions. To use bingo funds, the law would have to be changed.

This rule will not affect giveaways such as birthday packs. The rule requires promotion prizes to be paid for with funds other than bingo; however, bingo paper has already been purchased with bingo proceeds and we will NOT require you to reimburse the bingo fund for this type of giveaway. The same applies to other bingo paraphernalia (such as daubers and stale pull tabs), as long as the means by which you determine the winner is done in a manner that did not require the player to pay anything to participate (including solicitation of donations or admission fees).

### Q: If our organization charges an admission fee are we prohibited from conducting a bingo promotion?

A: No, your organization can conduct a bingo promotion; however, you must have some method for allowing persons who want to participate in the bingo promotion to participate without paying the admission fee. When any form of payment to participate is involved, that payment changes the promotion to illegal gambling.

In the past, the Bingo Division has recommended the admission fee to discourage players from participating in only the large prize games. If this is a problem for your organization, there are other methods to discourage this without violating the minimum card purchase requirement. For instance, you could stop all sales of bingo paper at a specific time, or you could close the bingo hall to admittance after intermission. You could also post in your price list that if you purchase the progressive game sheet without playing the regular pack the charge for the card will be \$1.00 per bingo face.

### Q: Can players be given additional chances to win the promotion game if they purchase additional packets of bingo paper?

A: No, the promotion must be free of charge and cannot be based on purchasing anything.

### Q: Can a promotion be played over a period of time such as one month?

Example: Each week that you enter the bingo hall you will be given a free ticket for the promotional drawing, at the end of the month the drawing will be conducted and the prize awarded. The person that entered the bingo hall all four weeks will have four opportunities to win; however, the person that only entered the bingo hall one of the four weeks will just have one opportunity to win.

A: Yes, this is legal - each person has the same opportunity to come into the hall all four weeks.

Q: Why can't bingo workers be eligible to play and win a promotional game?
A: Bingo workers, or anyone else involved in the management or operation of a promotional game, are excluded to prevent a potential conflict of interest and the appearance of impropriety.

## Q: If members work the first half of a bingo event and then stop being a bingo worker and become a bingo player, are they eligible to participate in the free promotion game?

A: No, the promotion rule prohibits bingo or promotion workers 'for a session' from participating in the promotion game.

# Q: Can bingo paper be given 'free' to each person entering the hall and a bingo game played as the promotion game? Is the prize paid with bingo funds or non-bingo funds?

A: Yes, if you do not charge an admission fee and the paper is given free of charge, a free bingo game can be played for the promotion prize. However, in this type of promotion the free paper is considered the promotional item, not the prize. The prize should be paid from bingo funds and should be counted as part of the \$3,600 maximum prize allowance for the occasion.

### Q: Can coupons be given as a promotional prize, if so can they be paid for with bingo funds?

A: Yes, coupons can be given as the free no charge promotional prize; however, they may not be paid for with bingo funds. They must be paid for from some other source. The coupons should be counted as bingo receipts when redeemed, and the operator is responsible for covering the amount of the coupons from another fund.

#### Q: What records should be kept?

A: The rule has no specific records keeping requirement; however, normal business records should be maintained on purchases and expenditures, and receipts should be kept for prizes that are purchased by the organization.

Minimal prizes such as daubers, turkeys, hams, etc.. given as free promotional prizes do not have to be accounted for separately; however, larger prizes (\$100 or more) should be accounted for in a manner so you or we can determine the cost of the item, when purchased, the winner of the item, and when awarded. The suggested retail value of an item should be used to determine the prize value. NOTE: Giveaways of bingo paper or pull-tabs should always be accounted for on the organizations Occasion Report, even if it is just a notation, (i.e. 3 birthday packs given free or total of 300 "ABC" pull tabs, S/N 123456 given to everyone in attendance). Also, minimal prizes such as turkeys, hams, etc., must be accounted for on the Bingo Occasion Report as a prize awarded if they are awarded as part of a bingo game prize.

Q: What types of promotions or games can we conduct?

A: Whatever type of promotion or game that is offered, it must be fair (every person participating has an equal chance to win), must be legal (cannot be any form of gambling or otherwise be illegal), and must be free to anyone who meets the eligibility requirements stated in the rule.

 During the holidays many organizations give away such things as turkeys, hams, Easter baskets, etc.

If the winner of these items is determined by means other than a bingo prize, the items must be purchased with funds other than bingo funds. If the items are awarded as part of a bingo game prize, they may be purchased with bingo funds but must be included in the \$3600 maximum prize amount for the occasion, and they cannot be given in conjunction with the \$500 game.

· Pop til you drop pull-tab games

Many organizations play this game. The legality depends on how your organization conducts the game. If the chance to be the winner that will open the pull-tabs for 'Pop-til-you-drop' is completely free of charge, including no admission fee or solicitation for donations, the game is probably legal. You cannot sell pull-tabs and have the player write their name on the back and place it in a jar for the drawing. You can use pull-tabs only if they are given to everyone free of charge. Any prize amount given to the winner opening all the tabs should be included in the total pull-tab prizes awarded for the occasion.

· Piggy bank game

If your organization plays a game where you announce at the beginning of the occasion that if you bingo on a particular ball (Example B-4) you will win the prize stated but will also win additional money in the piggy bank, this is not considered a promotion game. The money in the bank is being awarded as part of a bingo game prize, therefore, it must be included in the \$3600 maximum and cannot be played in conjunction with the \$500 game. (It does not matter where the money in the bank is coming from.) In some instances the caller places money in the bank if he calls a certain ball or if he makes a mistake. Another example, the organization adds a certain amount to the bank each week that the piggy bank is not won. It makes no difference; the prize is still part of the bingo game prize and must be accounted for as such.

 The Commission recommends that your organization establish written house rules for any promotional game to be held. These rules should be available to all participants. If you are uncertain if the game you propose to hold is legal, send the rules of the game to the Missouri Gaming Commission, Bingo Division, PO Box 1847, Jefferson City, MO 65102, or telephone 573-526-5370.